VZCZCXRO3279 OO RUEHBI RUEHCI RUEHDBU RUEHLH RUEHNEH RUEHPW DE RUEHNE #1897/01 2541142 ZNY CCCCC ZZH O 111142Z SEP 09 FM AMEMBASSY NEW DELHI TO RUEHC/SECSTATE WASHDC IMMEDIATE 7973 INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE RUEHBJ/AMEMBASSY BEIJING 7944 RUEHLO/AMEMBASSY LONDON 6786 RUEHMO/AMEMBASSY MOSCOW 3653 RUEHOT/AMEMBASSY OTTAWA 0834 RUEHFR/AMEMBASSY PARIS 1882 RUEHKO/AMEMBASSY TOKYO 6487 RHEHAAA/WHITE HOUSE WASHDC RUEAIIA/CIA WASHDC RHEHNSC/NSC WASHDC RUEIDN/DNI WASHINGTON DC RHMCSUU/HQ USCENTCOM MACDILL AFB FL RHHMUNA/HQ USPACOM HONOLULU HI RUEKJCS/JOINT STAFF WASHDC

C O N F I D E N T I A L SECTION 01 OF 02 NEW DELHI 001897

SENSITIVE SIPDIS

DEPT FOR SCA/INS

E.O. 12958: DECL: 09/11/2019

TAGS: PGOV PREL IN SUBJECT: INDIA: READY TO HELP NEPAL, SKEPTICAL OF MAOISTS,

BUT STILL OPTIMISTIC

REF: STATE 84648 NEW DELHI 1801

Classified By: Acting Political Counselor Les Viguerie for reasons 1.4 (B,D)

11. (C) SUMMARY: MEA Joint Secretary (North) Satish Mehta told us September 3 that India's priority in Nepal is to support a stable, democratic government. Prime Minister Nepal's August visit was a positive step and left a strong impression of Nepal's confidence and commitment to democracy. India's message to the Maoists is that they must take action to build confidence and assuage fears that they oppose peace and democracy. The Maoists need to realize that the best way to achieve their goal is to speed up progress on drafting the constitution and then to contest elections. The lack of results after the Maoist's month of agitation and the recent resumption of Army integration talks may be signs that the Maoists are coming to such a realization. Mehta noted that while Nepal must find its own solutions, India is skeptical about army integration. END SUMMARY.

Relations on Track, India Ready to Help - if Nepal Asks

12. (C) PolCouns delivered ref A demarche to Joint Secretary (North) Satish Mehta on September 3. Mehta indicated that PM Nepal's recent visit to India (ref B) went well despite pressure from Maoists and from within his coalition. PM Nepal knows his position is not strong, but appears confident and committed to building consensus and moving forward to build a multi-party democracy. The GOI's primary objective is a stable, democratic government in Nepal: India can calibrate its relationship with Nepal to fit any such government. India is ready to help Nepal in any manner Nepal wants, Mehta added.

India's Message to the Maoists

13. (C) PolCouns emphasized USG concern about the lack of progress on implementing the Comprehensive Peace Agreement (CPA) and about continued Maoist violence, underlining the need for a coordinated message to Nepal and to the Maoists. Mehta replied that India's message to the Maoists is that

they need to work to solve their own problems. They should focus on making the people of Nepal comfortable with them: if there is to be army integration, concerns about Maoist intentions must be allayed. The Maoists need to keep in mind that this is a temporary government and not delay the process over pointless power struggles.

- 14. (C) Mehta argued that, in order to indicate their commitment to peace and to democracy and to calm fears about their long-term intentions, the Maoists need to take concrete steps such as dismantling the Youth Communist League (now thinly veiled by the title "Youth Democratic Communist League," he laughed) and taking a productive role in drafting the constitution.
- 15. (C) Mehta maintained that the best approach to bring about a unity government in Nepal and facilitate progress on the peace process and constitutional drafting would be to convince the Maoists that they can not bring down the current government. Choosing to get the constitution drafted quickly and hold elections would be their best route back to power. The fact that the Maoists' month of agitation had not gotten them very far gave Mehta hope that they might come around to this perspective.

India's Views on Army Integration

16. (C) On rehabilitation and integration of Maoist army combatants, Mehta saw the recent resumption of Army

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Integration Committee meetings as an indication that the Maoists might be ready for progress. Mehta said that Nepal must find its own solution, but commented that "pro democracy forces" want the issue of army integration taken off the table. Mehta asserted that the Nepalese Army and the Maoists have incompatible mindsets and that the financial burden of integration would be too heavy for the GON. The Nepalese Army has already nearly doubled in size in the last five to seven years, increasing costs to levels unsustainable for the fragile economy. The cadres would further bloat the army and, as a group composed mainly of young people who will not retire for years, will extend the burden far into the future. Mehta proposed seeking alternatives by simply asking the cadres what they want. He opined that many would be happy to return to civilian life, perhaps with a one-time payment. The first step is to give them choices that might reduce the problem, he suggested. It is imperative to protect the integrity of the CPA (the constitution, elections, etc), but also to ensure that the chosen solution is sustainable.

17. (C) COMMENT: India's message to the Maoists is mostly in line with ours: political consensus is needed, and the Maoists must completely abandon violence in favor of peace and democratic principles. India supports getting Maoists cadres out of the cantonments and back into civilian life, but given Mehta's comments, India may not actively support integration of the PLA. India agrees that political consensus is needed, can work with any elected government, and is ready to help if asked. While Mehta did not explicitly agree to deliver a coordinated message, he outlined the Indian position clearly, indicating that on most points, with the possible exception of PLA integration, our messages are in sync. END COMMENT.